



October 8, 2015

Ms. Sylvia Mathews Burwell  
HHS Secretary  
200 Independent Avenue, SW  
Washington, DC 20201

Dear Secretary Burwell:

North Valley Hospital in Whitefish, Montana urges your support and approval of the Montana Medicaid Expansion waivers.

### **Financial Participation by the Medicaid Beneficiary**

The Montana legislature found it essential that there be a shared financial burden as a condition of extending coverage. The financial impact of a modest premium on the beneficiary is mitigated by assuring that persons below 100% of federal poverty do not lose coverage if they are unable to make a premium payment. Those persons between 100% and 138% of federal poverty may also avoid losing coverage for various circumstances, including working to improve their health status. Unlike other State waiver proposals, Montana has not proposed any lockout provisions in its program.

Montana Medicaid currently has copayments in place for the beneficiaries, including the exceptions required under federal law. Among those exceptions is a condition that a provider may not refuse care due to the beneficiary's inability to make a copayment. This is no different than that proposed for the expansion population.

There are some who are concerned about the financial burden of copayments. This concern should be balanced against the fact that copayments will be nominal in amount, and will exclude emergency services. The plan also provides additional exceptions for prevention and wellness services, among other things.

### **Eligibility**

Montana proposes to provide a 12-month continuous period of eligibility for persons who qualify for coverage. For many whose incomes may fluctuate erratically during the year, continuous eligibility will assure continued health coverage and reduce administrative costs. The Department is statutorily authorized to propose this policy under the general state statute, so the measure is not required to be specified in State enabling legislation. North Valley Hospital supports the Department's proposal to provide a 12-month eligibility period.

### **Coverage Options**

The coverage gap is "alive and well" here in the Flathead County. In our fiscal year 2014, North Valley Hospital provided \$2.6 MM in Charity Care healthcare services in our community. This was an increase

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of 7% over the prior year, building upon the 26% increase we saw in the year prior to that. Every day, we care for patients in our emergency room who don't have insurance and have waited until their situation is dire before seeking care. When patients seek treatment in the emergency room, we care for them and those currently with health insurance pay for that care. Expanding coverage to more individuals would bring them into the healthcare system earlier, creating an opportunity to provide them with wellness and preventive services in a more cost efficient environment.

Without federal approval of the approach adopted by the Montana legislature, there will be no expansion in Montana, and the people we propose to serve will be left without a realistic option for health coverage. Montana's legislation is a starting point that we believe merits federal support. Like any health care delivery system, Montana expects to evolve over time as we test our approach and continue to seek improvements in the Medicaid program.

Montana proposes to begin coverage on January 1, 2016. To do so requires CMS approval at the earliest time possible. There is much work to be done to provide the systems necessary to determine eligibility and to enroll the expansion population. To delay the waivers means that coverage needed by so many is delayed as well.

North Valley Hospital urges the Secretary to approve Montana's waiver application in time for the 2015 open season period for insurance.

Sincerely,

Jason A. Spring, CEO